

Legislative Audit Workshop

DEPARTMENT OF

LEGISLATIVE
AUDIT

SOUTH DAKOTA

Cybersecurity in the Year 2020



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Critical Cyber Security Recommendations

Backup Your Data

- Decouple from live system after backup
- Test Restoring It

Apply Automatic Updates & Patches

 Windows, Adobe, Java, Business Apps

Education & Training

- Cybersecurity class
- Business EmailCompromise
- Remote Work

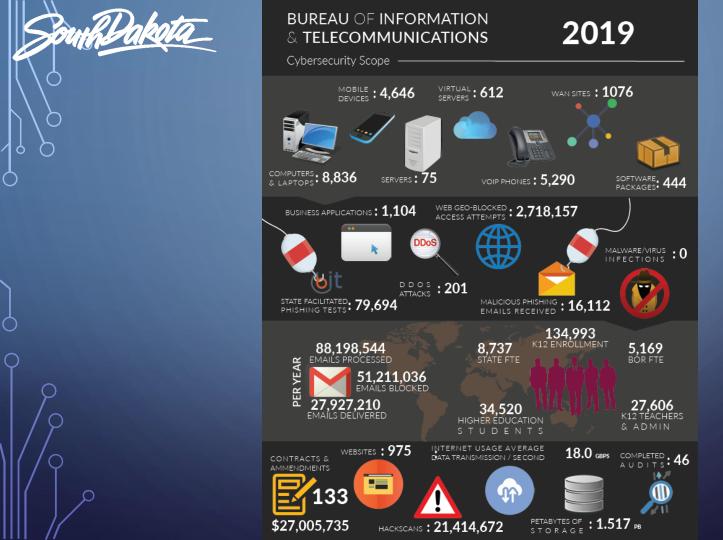
User Level privileges



CYBERSECURITY COMPROMISE EXAMPLES

- Texas School District 32.31 (Vendor Impersonation)
- City of Baltimore, MD (3) \$18.21/2 (\$76K ask Ransomware)
- City of Atlanta, GA \$17M (\$25K ask Ransomware)
- 22 Texas Counties \$12M (\$2.5M ask Ransomware)
- City of Sioux Falls \$???? (Vendor Impersonation)
- Yankton, SD School District (Malicious)
- SD School Teacher (Direct Deposit)
- Jowa Retirement Benefits Fraud (Direct Deposit)





DDN Support and K-12 Data Center Services and Support



System

Development &

Implementation

System Design

Research

Strategic

Planning

Analysis &

Reporting



129,772

Students

9,867 Teachers & Administrators 150

Public Districts

125,471

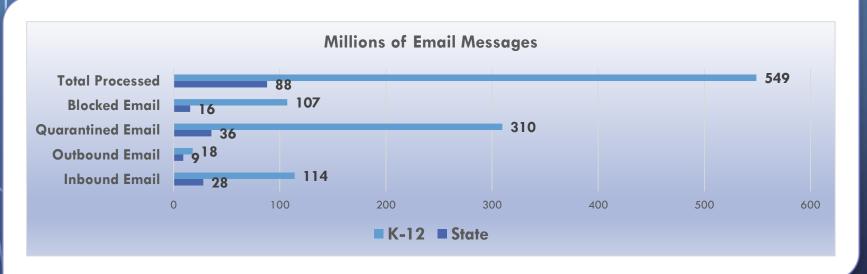
User Accounts

2,914

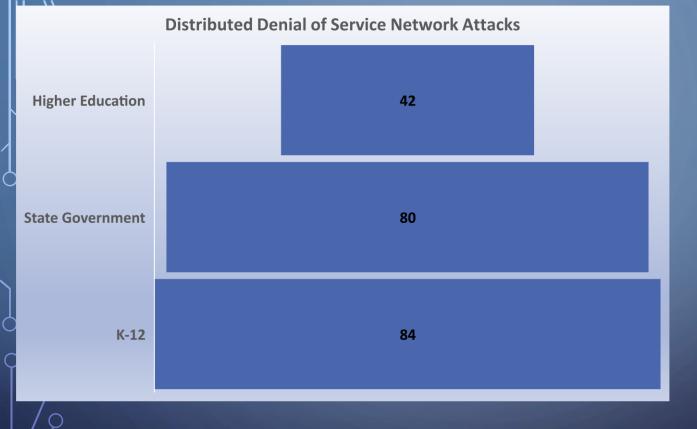
Distance Learning Classes

4,554 E-Learning Classes

South Dakota



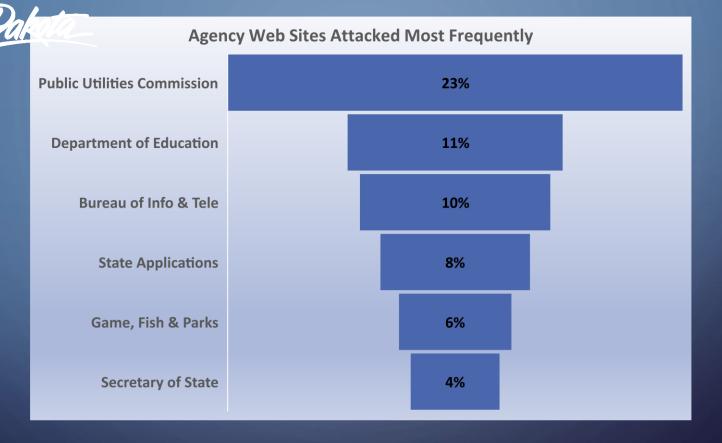
CYBERSECURITY STATS



A denial-of-service attack is a cyber-attack in which the cyber threat actor seeks to make an Internet server or website unavailable to its users by temporarily or indefinitely disrupting services.

A digital "traffic jam".

CYBERSECURITY STATS



CYBERSECURITY STATS



Titles Registrations Parking Permits







Why

CYBERSECURITY

is Important







Investigation Information
Evidence
Victim Information
Criminal History











Types of Threat Actors

Advanced Persistence Threat

• Nation State funded threat actors. China, Iran, North Korea, Russia

Cybercriminals

• Groups and individuals that either target or utilize opportunistic methods based on system vulnerabilities

Criminal Hackers

- Hackers for hire; typically motivated by financial gain
- Identity theft and healthcare fraud are their main targets

Terrorists

- Politically driven groups and individuals
- Utilize target or opportunistic methods with system vulnerabilities

Employees

- Malcontents
- Spies



Types of Attacks

Social Engineering

Phishing

Ransomware

Credential Harvesting

Application Attacks

Supply Chain Physical Security Denial of Service Attacks

Destruction

Virus & Malware

Resource Usage Insider Threat

RANSOMWARE

A type of malicious software designed to block access to a computer system until a sum of money is paid.

Common names of ransomware:

Bad Rabbit

CryptoLocker

CrytpoWall

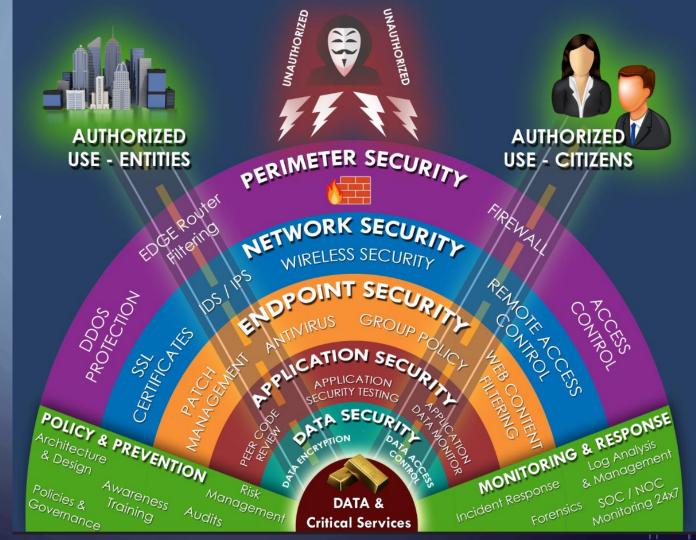
Ryuk

WannaCry



Cybersecurity

Infrastructure



South Dakota

Average amount time hackers are in a network before being discovered:





Business Email Compromise Scams

Vendor Impersonation Payroll Direct Deposit Account
Credentials
(Username & password)

Wire Transfer Request

Vendor Purchase Order request Real Estate/Escrow Fund Transfer

Malware Delivery

Gift Cards

Date:

FROM: Vendor

TO: Purchasing@<state>.gov SUBJECT: Account Change

Good morning. We are in the process of changing our accounts. Please remit payment to <new account>.

State of South Dakota BFM-0001 (V03/201907)



Your Bank Account Number



SEND TO THE STATE AGENC

DO NOT send to IRS

Taxpayer Identification Number (TIN) Verification

Print or Type
Please see attachment or reverse for complete instructions

Savings

This form can be made available in alternative formats to qualified individuals upon request

Optional
Checking Bank Routin

Optional Direct Deposit Information

Bank Routing Number (9-digit ABA #) Na

Name on Bank Account

THIS IS A:

new direct deposit chang

Change of existing (providing old banking information required to change existing)

Old Routing Number (9-digit ABA #)

You must provide the previous

You must provide the previous banking information to make a change.

Could this happen in SD?

RECONNAISSANCE

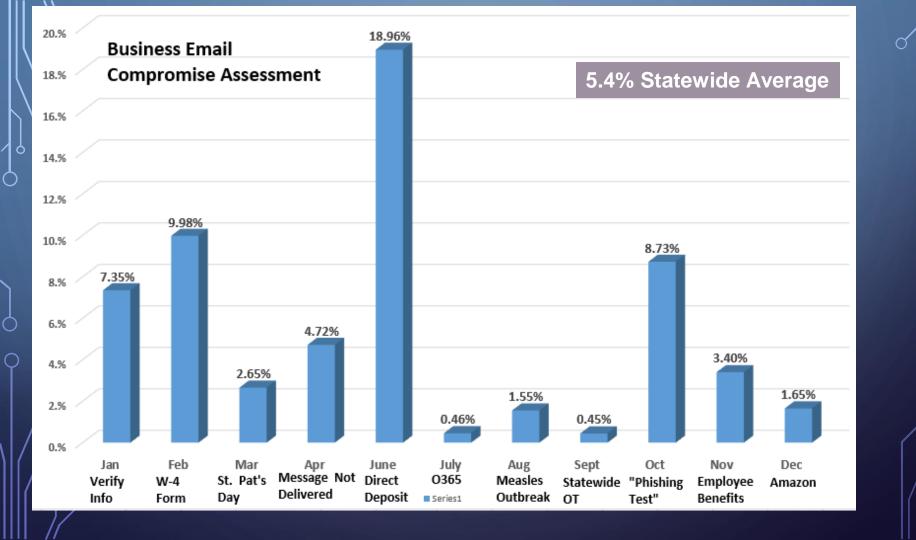
- Popen.SD.Gov: Vendors, \$\$\$, Dates, Contracts, Contacts
- Internet: Employer Identification Number (EIN), SSNs
- ldentify State employees: Online phone book, news, web sites

ENGAGEMENT

- > Email exchanges
- "Can you help me?"

ACTION

- ➤ Update Systems
- > Process Invoices, Payroll, etc.
- Divert Payments, Direct Deposits, etc.





Slowing down isn't just for children

When reading through your email, **STOP** and **THINK** before you click



CRITICAL EMAIL STEPS

Reading Is Fundamental

CAUTION SLOW DOWN

WHEN READING FMAIL!

DON'T BE PHISHED



- > Reading is Fundamental
- **2.** Look at the From: Name
- 3. Look at the From: Email Address. Name AND Address.
- Subject: Familiar?
- 5. Message
 - a. Spelling, Grammar & Content
 - b. Don't be swayed by branding
 - c. Hover over links
 - d. Attachments
- 5. Computer vs Mobile
- 6. Junk Mail Options



BHR Message < messages@bhrmessage.sd.gov>

[EXT] New Message From HR

Evnires 10/21/202

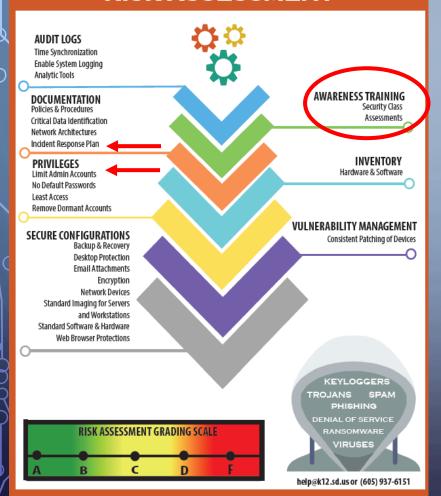
You have 1 Unread message from human resources.

Click Here To View Unread Message https://bhr.sd.gov/newmessage

Human Resources Department

nis is a phishing test, please do not click the imitated link

K-12 CYBERSECURITY RISK ASSESSMENT



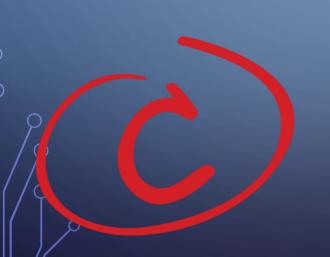
K-12 Cybersecurity Risk Assessment

Based on industry standard
 CIS Top 20 Controls



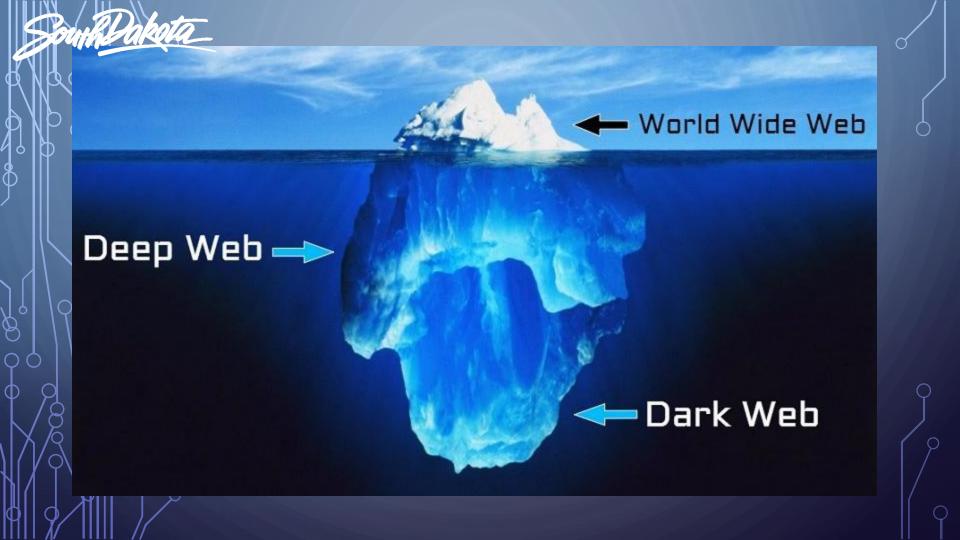


SCHOOL ASSESSMENT PERFORMANCE

















COKE From PERU 93%, 3 gram

B 0.85

BUY

CRYSTAL METH 7gram

B 1.61

BUY

B 2.37

FINALIZE EARLY

SHOW STIMULANTS CATEGORY



LSD Anonymous 140µg, 50 blotters

B 1.1



1 OZ Super Stong Mushrooms

₿ 0.59

BUY



1oz Cubensis Mushrooms

B 0.61

B 1.27



!! SPECIAL OFFER 1oz DRY PSILOCYBIN CUBENSIS SHROOMS!!

B 0.42

BUY



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